



Adair County Water District

109 Grant Lane * P.O. Box 567 * Columbia, KY 42728

Phone 270-384-2181 * Fax 270-384-3437

E-Mail officeadaircounty@alltel.net

Website adaircountywaterdistrict.com

November 13, 2008

RECEIVED

NOV 17 2008

PUBLIC SERVICE
COMMISSION

Ms. Beth O'Donnell
Executive Director
KY Public Service Commission
211 Sower Blvd.
PO Box 615
Frankfort, Kentucky 40602-0615

Re: Formal Application to Revise Certain Non-Recurring Charges

Dear Ms. O'Donnell:

2008-474

This is an application to revise certain non-recurring charges for the Adair County Water District, Inc. Attached are the non-recurring charge cost justifications and the proposed tariff sheets.

Adair County Water District is not requesting a water rate increase at this time. However, increased costs attributable to certain non-recurring charges can no longer be absorbed by the District. The customers affected by these increases will be the customers that cause the District to incur these additional expenses. Additional revenue to be generated will not exceed 5% of the total revenue provided by all miscellaneous and non-recurring charges for the past 12 months.

The District has previously filed income statements and balance sheets with the Public Service Commission. These income statements and balance sheets are currently on file with the Commission.

The District will publish the enclosed public notice of these requested rate revisions in the local newspaper for three consecutive weeks.

A copy of this application and related filings has been sent to the Office of the Attorney General, State Capitol Building, Suite 118, Frankfort, Kentucky 40601.

Sincerely,


Danny Downey
Vice-Chairman

Enclosures



Adair County Water District

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November 13, 2008

Gregory D. Stumbo
Office of the Attorney General
The Capitol, Suite 118
700 Capital Avenue
Frankfort, Kentucky 40601

Re: Formal Application to Revise Certain Non-Recurring Charges

Dear Mr. Stumbo:

This filing shall serve notice that the Adair County Water District has filed an application with the Public Service Commission to adjust certain non-recurring charges.

Adair County Water District is not requesting a water rate increase at this time. However, increased costs attributable to certain non-recurring charges can no longer be absorbed by the District. The customers affected by these increases will be the customers that cause the District to incur these additional expenses. Additional revenue to be generated will not exceed 5% of the total revenue provided by all miscellaneous and non-recurring charges for the past 12 months.

The District will publish a public notice of these requested rate revisions in the local newspaper for three consecutive weeks. You will find a copy of this publication notice attached.

Very truly yours,

Danny Downey
Vice-Chairman

Attachment

NOTICE

Adair County Water District proposes to make the following revisions and additions to its schedule of charges. The proposed effective date for the change is January 1, 2009.

SCHEDULE OF NON-RECURRING CHARGES

	<u>Current</u>	<u>Proposed</u>	<u>% Change</u>
Connection/Turn On Charge	15.00	30.00	100%
Connection/Turn On Charge (After Hours)	20.00	50.00	150%
Meter Re-Read Charge	25.00	30.00	20%
Meter Re-Read Charge (After Hours)	30.00	50.00	67%
Meter Test Charge	30.00	50.00	67%
Re-Connection Charge	25.00	30.00	20%
Re-Connection Charge (After Hours)	30.00	50.00	67%
Return Check Charge	16.00	25.00	56.25%
Service Call/Investigation Charge	25.00	30.00	20%
Service Call/Invest. Charge (After Hours)	30.00	50.00	67%
Meter Reading Re-Check Charge	25.00	30.00	20%
Meter Reading Re-Check (After Hours)	30.00	50.00	67%

DEPOSITS

	<u>Current</u>	<u>Proposed</u>	<u>% Change</u>
Deposits	30.00	50.00	67%

TAP FEES

	<u>Current</u>	<u>Proposed</u>	<u>% Change</u>
5/8" X 3/4" Meter	400.00	600.00	50%

MONTHLY WATER RATES

All Meters Over 2-Inch

First	25,000 Gallons	\$113.83 Minimum Bill
All Over	25,000 Gallons	\$ 3.10 Per 1,000 Gallons

The charges/rates contained in this notice are the charges/rates proposed by the Adair County Water District. However, the Public Service Commission may order charges/rates to be charged that differ from these proposed charges/rates. Such action may result in charges/rates for consumers other than the charges/rates in this notice.

Any corporation, association, body politic, or person may, by motion within thirty (30) days after publication of this fee change, request leave to intervene; and the motion shall be submitted to the Public Service Commission, 211 Sower Boulevard, Post Office Box 615, Frankfort, KY 40602, and shall set forth the grounds for the request including the status and interest of the party.

Intervenors may obtain copies of the application and related filings by contacting the Association.

The District has available for inspection at its office the proposed changes to its Rules and Regulations. The District's office is located at 109 Grant Lane, Columbia, Kentucky 42728.

This notice is published pursuant to 807 KAR 5:011-Tariffs.

Adair County Water District

FOR Columbia./Adair County, Kentucky
Community, Town or City

P.S.C. KY. NO. _____

_____ SHEET NO. 1 _____

Adair County Water District
(Name of Utility)

CANCELLING P.S.C. KY. NO. _____

_____ SHEET NO. _____

RATES AND CHARGES

Monthly Water Rates:

5/8 X 3/4 Inch Meter

First	2,000 Gallons	\$14.85 Minimum Bill
Next	3,000 Gallons	\$ 5.70 Per 1,000 Gallons
Next	5,000 Gallons	\$ 4.95 Per 1,000 Gallons
Next	15,000 Gallons	\$ 3.85 Per 1,000 Gallons
All Over	25,000 Gallons	\$ 3.10 Per 1,000 Gallons

1-Inch Meter

First	5,000 Gallons	\$31.65 Minimum Bill
Next	5,000 Gallons	\$ 4.95 Per 1,000 Gallons
Next	15,000 Gallons	\$ 3.85 Per 1,000 Gallons
All Over	25,000 Gallons	\$ 3.10 Per 1,000 Gallons

1 1/2-Inch Meter

First	10,000 Gallons	\$55.90 Minimum Bill
Next	15,000 Gallons	\$ 3.85 Per 1,000 Gallons
All Over	25,000 Gallons	\$ 3.10 Per 1,000 Gallons

2- Inch Meter

First	16,000 Gallons	\$78.40 Minimum Bill
Next	9,000 Gallons	\$ 3.85 Per 1,000 Gallons
All Over	25,000 Gallons	\$ 3.10 Per 1,000 Gallons

All Meters Over 2- Inch

First	25,000 Gallons	\$113.83 Minimum Bill
All Over	25,000 Gallons	\$ 3.10 Per 1,000 Gallons

DATE OF ISSUE _____
Month / Date / Year

DATE EFFECTIVE _____
Month / Date / Year

ISSUED BY _____
(Signature of Officer)

TITLE Manager

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

FOR Columbia/Adair County, Kentucky
Community, Town or City

P.S.C. KY. NO. _____

_____ SHEET NO. _____

Adair County Water Distirct
(Name of Utility)

CANCELLING P.S.C. KY. NO. _____

_____ SHEET NO. _____

RULES AND REGULATIONS

SPECIAL NON-RECURRING CHARGES:

Connection/Turn On Charge	\$30.00
Connection Turn On Charge (After Hours)	\$50.00
Late Payment Penalty	10 %
Damage to Meter Setting or Lid (Field visit plus equipment replaced)	Actual Cost
Meter Re-read Charge	\$30.00
Meter Re-read Charge (After Hours)	\$50.00
Meter Test Charge	\$50.00
Re-connection Charge	\$30.00
Re-connection Charge (After Hours)	\$50.00
Return Check Charge	\$25.00
Service Call/Investigation	\$30.00
Service Call/Investigation (After Hours)	\$50.00
Meter Reading Re-check Charge	\$30.00
Meter Reading Re-check Charge (After Hours)	\$50.00
Reinstallation Charge	\$30.00
Reinstallation Charge (After Hours)	\$50.00

DATE OF ISSUE _____
Month / Date / Year

DATE EFFECTIVE _____
Month / Date / Year

ISSUED BY _____
(Signature of Officer)

TITLE _____

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

NONRECURRING CHARGE COST JUSTIFICATION

Type of Charge: CONNECTION/TURN ON CHARGE .

1. Field Expense:

A. Materials (Itemize)

_____	\$ <u>NA</u>
_____	_____
_____	_____

B. Labor (Time and Wage)

<u>1/2 hrs @ \$18.10 per hr</u>	<u>\$9.05</u>
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Total Field Expense	\$ <u>9.05</u>
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2. Clerical and Office Expense

A. Supplies

\$ NA

B. Labor

\$9.20

Total Clerical and Office Expense	\$ <u>9.20</u>
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3. Miscellaneous Expense

A. Transportation

\$ 11.75

B. Other (Itemize)

_____	\$ <u>NA</u>
_____	_____
_____	_____

Total Miscellaneous Expense	\$ <u>11.75</u>
------------------------------------	------------------------

Total Nonrecurring Charge Expense	\$ <u>30.00</u>
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NONRECURRING CHARGE COST JUSTIFICATION

Type of Charge: SERVICE CALL/INVESTIGATION

1. Field Expense:

A. Materials (Itemize)

_____	\$ <u>NA</u>
_____	_____
_____	_____

B. Labor (Time and Wage)

<u>1/2 hrs @ \$18.10 per hr</u>	<u>\$9.05</u>
---------------------------------	---------------

Total Field Expense	\$ <u>9.05</u>
----------------------------	-----------------------

2. Clerical and Office Expense

A. Supplies

\$ NA

B. Labor

\$9.20

Total Clerical and Office Expense	\$ <u>9.20</u>
--	-----------------------

3. Miscellaneous Expense

A. Transportation

\$ 11.75

B. Other (Itemize)

_____	\$ <u>NA</u>
_____	_____
_____	_____

Total Miscellaneous Expense	\$ <u>11.75</u>
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Total Nonrecurring Charge Expense	\$ <u>30.00</u>
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NONRECURRING CHARGE COST JUSTIFICATION

Type of Charge: SERVICE CALL/INVESTIGATION (AFTER HOURS)

1. Field Expense:

A. Materials (Itemize)

_____	\$ <u>NA</u>
_____	_____
_____	_____

B. Labor (Time and Wage)

<u>1 hrs. @ \$18.10 per hour</u>	<u>\$18.10</u>
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Total Field Expense	\$ <u>18.10</u>
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2. Clerical and Office Expense

A. Supplies

\$ <u>NA</u>

B. Labor

<u>18.40</u>

Total Clerical and Office Expense	\$ <u>18.40</u>
--	------------------------

3. Miscellaneous Expense

A. Transportation

\$ <u>13.50</u>

B. Other (Itemize)

_____	_____
_____	_____
_____	_____

Total Miscellaneous Expense	\$ <u>13.50</u>
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Total Nonrecurring Charge Expense	\$ <u>50.00</u>
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NONRECURRING CHARGE COST JUSTIFICATION

Type of Charge: METER READING RE-CHECK CHARGE

1. Field Expense:

A. Materials (Itemize)

_____	\$ <u>NA</u>
_____	_____
_____	_____

B. Labor (Time and Wage)

<u>1/2 hrs @ \$18.10 per hr</u>	<u>\$9.05</u>
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Total Field Expense	\$ <u>9.05</u>
----------------------------	-----------------------

2. Clerical and Office Expense

A. Supplies	\$ <u>NA</u>
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B. Labor	<u>\$9.20</u>
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Total Clerical and Office Expense	\$ <u>9.20</u>
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3. Miscellaneous Expense

A. Transportation	\$ <u>11.75</u>
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B. Other (Itemize)

_____	\$ <u>NA</u>
_____	_____
_____	_____

Total Miscellaneous Expense	\$ <u>11.75</u>
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Total Nonrecurring Charge Expense	\$ <u>30.00</u>
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NONRECURRING CHARGE COST JUSTIFICATION

Type of Charge: METER READING RE-CHECK CHARGE (AFTER HOURS)

1. Field Expense:

A. Materials (Itemize)

_____	\$ <u>NA</u>
_____	_____
_____	_____

B. Labor (Time and Wage)

<u>1 hrs. @ \$18.10 per hour</u>	<u>\$18.10</u>
----------------------------------	----------------

Total Field Expense	\$ <u>18.10</u>
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2. Clerical and Office Expense

A. Supplies	\$ <u>NA</u>
-------------	--------------

B. Labor	<u>18.40</u>
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Total Clerical and Office Expense	\$ <u>18.40</u>
--	------------------------

3. Miscellaneous Expense

A. Transportation	\$ <u>13.50</u>
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B. Other (Itemize)

_____	_____
_____	_____
_____	_____

Total Miscellaneous Expense	\$ <u>13.50</u>
------------------------------------	------------------------

Total Nonrecurring Charge Expense	\$ <u>50.00</u>
--	------------------------

FOR Columbia/Adair County, Kentucky
Community, Town or City

P.S.C. KY. NO. _____

_____ SHEET NO. _____

Adair County Water District
(Name of Utility)

CANCELLING P.S.C. KY. NO. _____

_____ SHEET NO. _____

RATES AND CHARGES

TAP FEES

5/8" X 3/4" Meter

\$600.00

All other meters are Actual Cost

DATE OF ISSUE _____
Month / Date / Year

DATE EFFECTIVE _____
Month / Date / Year

ISSUED BY _____
(Signature of Officer)

TITLE _____

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

**AVERAGE METER CONNECTION EXPENSE
COST JUSTIFICATION**

Name of Utility ADAIR COUNTY WATER DISTRICT .

The following is an itemization of expenses for providing a metered service connection.

A. Meter Size

5/8-Inch **x** 3/4-Inch 1-Inch 1 1/2 -Inch 2-Inch

Other (specify) _____

B. Materials Expense

		<u>Unit Quantity</u>	<u>Cost</u>	<u>Total Cost</u>
1.	Water Meter	<u>1</u>	<u>80.00</u>	_____
2.	Meter Yoke	<u>1</u>	<u>58.10</u>	_____
3.	Corporation Stop	<u>1</u>	<u>20.00</u>	_____
4.	Meter Box and Top	<u>1</u>	<u>50.00</u>	_____
5.	Miscellaneous Fittings	<u>1</u>	<u>15.00</u>	_____
6.	Other (Itemize)			
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____

TOTAL MATERIALS EXPENSE \$ 223.10
(add total cost)

C. Service Pipe Expense

Type of Service Pipe HDPE Size of Service Pipe 3/4-Inch

	<u>Unit Quantity</u>	<u>Cost</u>	<u>Total Cost</u>
1. Short Side Service	<u>25</u>	<u>0.20</u>	<u>5.00</u>
2. Long Side Service	<u>50</u>	<u>0.20</u>	<u>10.00</u>

AVERAGE SERVICE PIPE EXPENSE \$ 7.50
(add total cost and divide by 2)

D. Installation Labor Expense

	<u>Total Hours</u>	<u>Hourly Rate</u>	<u>Total Cost</u>
1. Short Side Service	<u>8</u>	<u>18.10</u>	<u>144.80</u>
2. Long Side Service	<u>12</u>	<u>18.10</u>	<u>217.20</u>

AVERAGE INSTALLATION LABOR EXPENSE \$ 181.00
(add total cost and divide by 2)

E. Installation Equipment Expense

	<u>Total Hours</u>	<u>Hourly Rate</u>	<u>Total Cost</u>
1. Short Side Service	<u>2</u>	<u>45.00</u>	<u>90.00</u>
2. Long Side Service	<u>4</u>	<u>40.00</u>	<u>160.00</u>

AVERAGE INSTALLATION EQUIPMENT EXPENSE \$ 125.00
(add total cost and divide by 2)

F. Installation Miscellaneous Expense

	<u>Total Hours</u>	<u>Hourly Rate</u>	<u>Total Cost</u>
1. Inspection	_____	_____	_____
2. Site Clean-Up	_____	_____	_____
3. Other			
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
AVERAGE INSTALLATION MISCELLANEOUS EXPENSE (add total cost)			\$ _____

G. Overhead Expense

1. Installation expense (\$ 150) times
overhead rate (30 %) \$ 45.00

H. Administrative Expense

1. Office expense for establishing a new account
and billing record. \$ 18.40

I. Total Expenses

Materials Expense	\$ <u>223.10</u>
Service Pipe Expense	<u>7.50</u>
Installation Labor Expense	<u>181.00</u>
Installation Equipment Expense	<u>125.00</u>
Installation Miscellaneous Expense	_____
Overhead Expense	<u>45.00</u>
Administrative Expense	<u>18.40</u>

TOTAL CONNECTION EXPENSE \$ 600.00

FOR Columbia-Adair County Kentucky
Community, Town or City

P.S.C. KY. NO. _____

_____ SHEET NO. _____

Adair County Water District
(Name of Utility)

CANCELLING P.S.C. KY. NO. _____

_____ SHEET NO. _____

CONTENTS

Customer Deposits

\$50.00

DATE OF ISSUE _____
Month / Date / Year

DATE EFFECTIVE _____
Month / Date / Year

ISSUED BY _____
(Signature of Officer)

TITLE _____

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

NONRECURRING CHARGE COST JUSTIFICATION

Type of Charge: CUSTOMER DEPOSIT

1. Field Expense:

A.	Materials (Itemize)	\$ _____
	_____	_____
	_____	_____
	_____	_____
B.	Labor (Time and Wage)	_____
	_____	_____
	Total Field Expense	\$ _____

2. Clerical and Office Expense

A.	Supplies	\$ _____
B.	Labor	_____
	Total Clerical and Office Expense	\$ _____

3. Miscellaneous Expense

A.	Transportation	\$ _____
B.	Other (Itemize)	_____
	_____	_____
	Customer Deposit*	_____
	_____	_____
	_____	_____
	Total Miscellaneous Expense	\$ <u>50.00</u>
	Total Nonrecurring Charge Expense	\$ <u>50.00</u>

*Cost justification: Customer Deposits – current charge of \$30.00 to be increased to \$50.00. This increase would help the Adair County Water District to recover some of the funds lost when a customer fails to pay for services. It takes a minimum of one month before a customer is disconnected for non-payment. Increasing the deposit allows ACWD to recover some of the funds lost to non-payment, but does not penalize those members that pay for services used.